

**Testimony of the National Alliance on Mental Illness (NAMI) Connecticut
Before the Appropriations Committee
February 16, 2017**

**Department of Social Services (DSS) budget cuts and changes
Governor's H.B. 7027 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM
ENDING JUNE THIRTIETH 2019, AND MAKING APPROPRIATIONS THEREFORE**

Good evening Senators Osten and Formica, Representative Walker and members of the Appropriations Committee. My name is Daniela Giordano and I am the Public Policy Director with the National Alliance on Mental Illness (NAMI) Connecticut. NAMI Connecticut is the state affiliate of NAMI, the nation's largest grassroots mental health organization dedicated to building better lives for all those affected by mental health conditions. NAMI Connecticut offers support groups, educational programs, and advocacy for individuals' and families' quality of life in the community. I am here today on behalf of NAMI Connecticut to express strong concerns about and comment on the proposed budget for FY2018 as it relates to the Department of Social Services (DSS). I am focusing on FY2018 only, for brevity's sake and because we know that FY2019 will very likely be adjusted again next year.

We continue to understand the fiscal challenges Connecticut continues to face and that hard decisions will need to be made by legislators and other policy makers. At the same time, I want to share my deep concern about the numerous and multi-layered proposed cuts to human and social services, particularly as they impact individuals who live with mental health and substance use conditions and who utilize and benefit from these services. Highlighted here are only a select number of proposed cuts and changes, and their likely impacts on our family members, friends, and neighbors:

- **HUSKY A parents:** Reducing eligibility for health care for HUSKY A parents to 138% of federal poverty level (FPL), which is currently set at 150% FPL after having been lowered already in the past couple of years, would result in about an additional 9,500 parents losing Medicaid. The projected savings to the state are \$500,000. These parents will likely lose coverage altogether as they will not be able to afford health care coverage elsewhere, including the CT health insurance exchange. These parents are also very unlikely to be offered or be able to afford employer coverage. For example a family of three may have an annual income of a little more than \$28,000. This would put these parents back in a mode of only being able to access crisis health care through emergency rooms etc. – more expensive for them *and* for the state.
- **Adult dental services:** Limiting adults' dental benefits by capping them at \$1000 per year, will likely result in reduced access to important dental care. For example, it could leave people without dentures in the year their teeth are extracted, would likely increase ER use (plus, potential accompanying pain relief with opioids, if someone needs to come back for emergency services a few times) and other related costs. Partial care every year would lead to increased costs as diseases are allowed to progress and are able to compromise people's health – dental and otherwise, as unaddressed dental issues can and do lead to other health issues, including physical and mental health concerns.

- **Counting federal Social Security COLA (Cost of Living Adjustment) against state benefits:** Reducing the already very limited income of people with disabilities by deducting any federal disability increase, will likely have an impact on people's lives – people who already have to be frugal to be able to make basic ends meet each month. Currently, an increase in federal benefits is not counted as income at the state level. This would change that practice and reduce state benefits to people who receive Aid to the Aged, Blind and Disabled (AABD) for projected savings of \$1.2 million.
- **Co-pay increases for Medicaid and Medicare (dually) eligible individuals:** A cut of \$80,000 will result in these high-need and low-income individuals to have to pay *all* Medicare Part D copays for their prescriptions. And even though a copay of between \$1.20 and \$8.25 per prescription may not sound like a lot, this can and does add up for people, many of whom have multiple prescriptions each month and live on very limited incomes.
- **EITC:** Reducing the state Earned Income Tax Credit (EITC) from 27.5% of the federal EITC to 25% of the federal EITC, represents a cut of \$25 million. EITC supports low-income families, encourages work, and stimulates the economy by putting money in the hands of people who will spend it. Cuts to this benefit will slow families' ability to work their way out of poverty and leave less money that is spent rather immediately for basic needs in our local economy.
- **Decreased eligibility for Medicare Savings Programs (MSP):** Fewer people would be eligible for this program, which helps Medicare recipients pay the cost of their Medicare premiums and other cost-sharing requirements. MSP may cover Medicare Part B and Part D premiums plus some or all cost-sharing (copays, deductibles) under Parts A, B and D.
- **Tax relief for elderly renters:** Another concern, now located in the budget of the Office of Policy and Management (OPM), is that after a case load adjustment was made to recognize that more people were participating in the tax relief program for elderly renters (also referred to as rent rebate), this line item is proposed to be cut ten percent. Additionally, if state budget issues continue, it is also possible that this program may be cut again and that rent rebates for the elderly and people with disabilities would not be available, jeopardizing individuals' stability to be able to live in the community.

Any one of these cuts and policy changes would have negative impacts on individuals who benefit from these services and supports. But it is the cuts and reductions in *their intersection with one another* for some of our most vulnerable residents which *compound their negative impact*.

We urge you to protect the health and wellbeing of our CT residents by supporting essential and core services and supports, and to focus on investments in the preventative and early intervention in health care and social services, instead of driving people to higher-cost and crisis care.

Thank you for your time and attention. Please let me know if you have any questions.
Respectfully, Daniela Giordano, MSW, *Public Policy Director*, NAMI Connecticut